Performance of the Amman Stock Exchange During the year 2023

The Chief Executive Officer of the Amman Stock Exchange (**ASE**), Mazen Wathaifi, stated that despite the challenges and difficult circumstances facing the region, given the stability of the national economy in the face of these challenges and achieving positive indicators during the past year, the ASE managed to maintain its balance. The Amman Stock Exchange General Index weighted by free float shares (**ASEGI**) recorded a slight decrease to 2431.2 points at the end of 2023, compared to 2501.6 points at the end of 2022, representing a decrease of 2.8%. It is noteworthy that this comparison is with the index at the end of 2022, which reached its highest levels since 2009. It should be noted that the closing of 2023, excluding the 2022 closing, remains at its highest levels since 2010. The price index weighted by free float market capitalization **ASE20** decreased to reach 1308.8 points at the end of 2023 compared to 1345.3 points at the end of 2022, a decrease of 2.7%. The Total Return Index **ASETR**, which measures the change in the prices of index sample companies' stocks, in addition to their cash distributions assuming reinvestment in the index companies' stocks, increased to reach 1488.5 points at the end of 2023, compared to 1430.2 points at the end of 2022, representing an increase of 4.1%. The market capitalization of listed companies on the ASE decreased to reach JD16.9 billion, a decrease of 5.9%, compared to the market capitalization at the end of 2022. It is worth mentioning that the market capitalization at the end of 2023, excluding the 2022 closing, is still at its highest level since 2018.

As for the trading value, it decreased during the year 2023 to approximately JD1.5 billion, compared to about JD1.9 billion in 2022, representing a decrease of 23.5%. The number of traded shares in 2023 was about 1.1 billion shares executed through approximately 686 thousand contracts, compared to 1.2 billion shares traded in 2022, executed through about 738 thousand contracts.

Implementation of projects related to the Economic Modernization Vision and the Strategic Plan

The CEO continued to emphasize that the ASE has persisted in fulfilling its role by providing a secure environment for securities trading and enhancing investors' confidence. This has been achieved through necessary measures and the development of strategic plans encompassing various projects and programs with the aim of strengthening the ASE's competitiveness, enhancing legislative and technical frameworks, and promoting the digital transformation journey in alignment with the latest international standards and practices. This effort aims to strengthen the investment climate and increase the attractiveness of the ASE for both local and foreign investments. Additionally, the ASE has actively implemented initiatives and projects as part of the executive program for the Economic Modernization Vision. These initiatives focus on enhancing the depth, breadth, competitiveness, and liquidity of the national capital market.

The issuance of sustainability reports by shareholding companies

In light of the above, the ASE has continued its efforts to promote sustainability and enhance disclosure and transparency in the market. However, 100% of the listed companies in the ASE20 index sample provided sustainability reports for the year 2022 within the specified deadline set by the ASE's sustainability reporting rules. This was done through the XBRL electronic disclosure system, in accordance with the latest international standards and practices, aiming to strengthen sustainability. This initiative was in line with the ASE's requirement for these companies to issue sustainability reports related to their three main pillars: Corporate Governance, Social Responsibility, and Environmental Responsibility (**ESG**). This is crucial to enhance the competitiveness of both the ASE and the listed companies, as the commitment to sustainability standards became very important which the investors and fund managers consider while they invest in capital markets. The ASE collaborated with the United Nations Development Program (UNDP), the United Nations Global Compact (UNGC) Network in Jordan, and Social Value

International to train and raise awareness among companies about the importance of issuing sustainability reports and how to prepare them.

Investor Relations Management in Listed Companies

The ASE also issued rules for managing investors' relations in listed companies, obligating listed companies in the ASE20 index to establish a dedicated Investor Relations unit by the end of the year 2023. This initiative aims to enhance disclosure and transparency in the market, and the competitiveness of listed companies. The ASE conducted a training course in 2022 for representatives from listed companies in the ASE20 index on "Investor Relations Management" to raise awareness about the importance and benefits of having such a department in a shareholding company.

Obtaining the ISO 9001:2015 Quality Management Certificate

Wathaifi stated that the ASE has obtained the conformity certificate for the International Quality Management System Standard (ISO 9001:2015) from TÜV AUSTRIA Group after an auditing process and examination of documents conducted by the accredited body TÜV AUSTRIA/JORDAN in Jordan. The ASE met all the requirements and standards of the international certificate following the completion of the auditing process, document examination, and verification of the ASE's adherence to the conditions of the Quality Management System according to international standards.

He also mentioned that achieving this milestone is the result of the efforts made by the ASE's employees within the framework of striving to enhance the culture of institutional excellence in all aspects of work. This involves adopting practices and methodologies that play a significant role in improving efficiency and effectiveness, delivering integrated services with precision and high efficiency, in line with the highest international standards. Obtaining this certificate was one of the prominent goals that the ASE sought to achieve as part of its strategic plan, considering this achievement to be the result of prior planning and continuous effort to develop the work system in ASE, achieve its goals, enhance its contribution to the national economy, achieve the highest national goals, and seek to provide the best types of services and meet the needs and requirements of stakeholders, raising the level of services performance, and handle suggestions and complaints to achieve stakeholder satisfaction.

Enhancing the cybersecurity system

Wathaifi added that, in the context of the ASE's efforts to enhance its security and protection system to provide necessary protection for its various systems and equipment according to the best practices and specialized global technologies in this field, a Security Information and Event Management (SIEM) project has been implemented. This comes in response to the constant increase and continuous rise in cyber threats and targeted electronic attacks on institutions and companies across various sectors.

Enhancing awareness and investment culture

In addition to what was mentioned, the ASE has worked on enhancing awareness and investment culture in the market through awareness campaigns and processes, such as signing memoranda of understanding with several national universities to collaborate and promote the investment culture, preparing students for the job market by providing training, and introducing them to the practical and applied aspects related to the national capital market and its institutions. The ASE has also established trading simulation rooms in these universities. Additionally, the ASE has prepared various awareness brochures, educational videos, and informative materials, publishing them on its website and on its social media accounts.

The Market Maker

Al Wathaifi mentioned that as part of the efforts made by the Amman Stock Exchange to enhance market activity and liquidity, including introducing new trading mechanisms and tools to the market, the necessary legislative and regulatory framework for engaging in market-making activity on the ASE has been prepared. This was done by issuing the draft market maker Instructions. The

draft instructions for market makers were drafted in accordance with best practices in this regard. The draft instructions comprehensively regulate the market-making activity, outlining the mechanism for market makers to conduct their activities, their obligations, and other regulatory matters.

The draft of the market-making agreements and the draft of regulations for conducting market-making activities have been prepared and submitted to the Jordan Securities Commission for approval. Additionally, the ASE has approached the Ministry of Planning regarding obtaining funding for the market maker project. Collaboration with the Ministry of Planning is currently ongoing to start the implementation of this project after obtaining external funding for some projects of capital market institutions by the Ministry of Planning.

Preparation of the strategic plan for the ASE for the years (2024-2026)

In conclusion, Wathaifi clarified that the ASE has prepared its strategic plan for the years 2024-2026. This plan is consistent with the Economic Modernization Vision and the ASE's vision, aiming to provide an advanced and distinguished financial market, both legislatively and technologically, at the regional and global levels, in line with international standards in the field of financial markets and contributing to providing an attractive environment, to invest and enable it to provide better services and enhance the economic benefit it provides.